

# DEPARTMENT OF TAXATION

## Department Summary

### *Mission Statement*

To administer the tax laws of the State of Hawaii in a consistent, uniform and fair manner by educating taxpayers on tax laws, by developing a professional staff and by using technology to increase efficiency and effectiveness.

### *Department Goals*

To provide one-stop customer service; to increase collection capabilities through efficient allocation of resources; to simplify taxpayer filings, provide a more user-friendly interface with the public, speed up refunds and expedite delinquent referrals; to automate tax filings, billings and collections; to expand capacity for research and revenue analysis; to permit more flexibility in accommodating tax law changes and initiatives to improve tax administration.

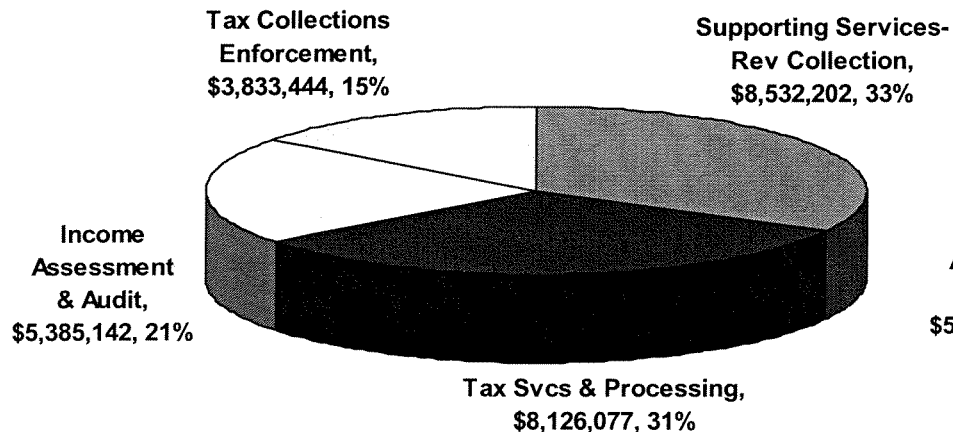
### *Significant Measures of Effectiveness*

1. Average call answer rate
2. Percent of tax returns audited resulting in adjustments
3. Average business days to deposit checks received from taxpayers

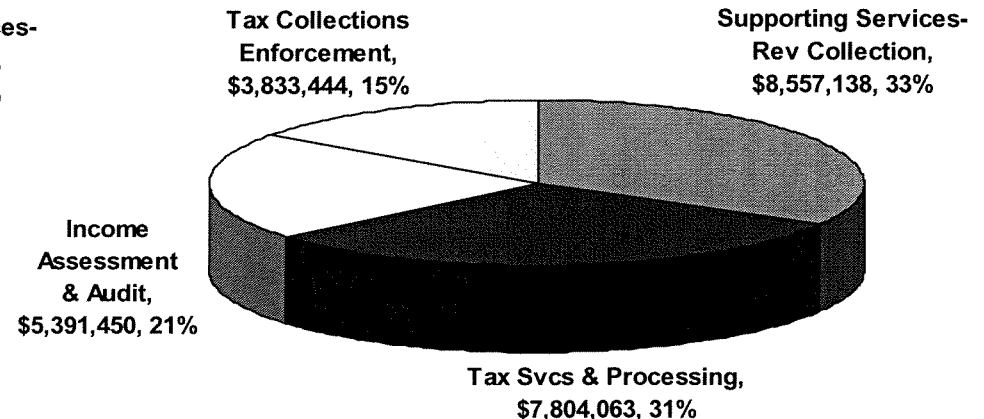
<u>FY 2008</u>	<u>FY 2009</u>
61	61
85	85
55	55

### FB 2007-09 Operating Budget by Major Function

#### FY 2008



#### FY 2009



## **DEPARTMENT OF TAXATION MAJOR FUNCTIONS**

- Administers and enforces the tax laws of Hawaii and the collection of taxes and other payments.
- Coordinates a centralized system for receiving and processing of all tax returns, payments and documents.
- Provides one-stop customer service, assistance and information on all taxes administered by the department to customers who walk in, call-in, correspond or e-mail.
- Administers a comprehensive and uniform compliance program based on self-assessment and voluntary compliance.
- Conducts audits and investigations of all types of tax returns.
- Conducts and enforces collection of delinquent taxes by appropriate collection procedures.
- Plans, organizes and coordinates a tax research and tax planning program.
- Provides administrative and research support to the Council on Revenues which prepares revenue estimates for the State on a quarterly basis.

## **MAJOR PROGRAM AREAS**

The Department of Taxation has a program in the following major program area:

### **Government-Wide Support**

TAX 100      Taxation

**Department of Taxation**  
**(Operating Budget)**

		<b>Allocation</b>		
		<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Funding Sources:</b>	Positions	372.50	402.50	402.50
General Funds	\$	22,885,968	25,424,865	25,134,095
Special Funds		452,000	452,000	452,000
		372.50	402.50	402.50
<b>Total Requirements</b>		23,337,968	25,876,865	25,586,095

**Highlights of the Executive Budget Request:** (general funds unless noted)

1. 19 perm and 4 temp positions and \$944,312 in FY 08 and 19 perm and 1 temp positions and \$717,944 in FY 09 for county surcharge staffing.
2. 10 perm and 18.5 temp positions and \$852,039 and 10 perm and 18.5 temp positions and \$796,537 in FY 09 for additional staffing for tax services and processing.
3. \$300,000 in FY 08 and FY 09 for professional services to support audits.
4. 3 temp positions and \$125,421 in FY 08 and 3 temp positions and \$95,421 in FY 09 for retail tobacco permit
5. 1 perm Economist VI and \$66,299 in FY 08 and \$74,625 in FY 09 for research and planning.